

UNITED STATES SENATOR ★ MONTANA
MAX BAUCUS

P R E S S R E L E A S E

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December 20, 2001

BAUCUS WILL CONSIDER TRANSPORTATION ISSUES IN JANUARY

Finance Chair to Make Highway & Aviation Trust Funds Priority, Announces 2002 Hearings

(WASHINGTON, D.C.) – U.S. Senate Finance Committee Chairman Max Baucus today announced that he will hold several transportation hearings early next year and make both Montana's and America's transportation systems top priorities.

"Montana is a highway state, and transportation is key to our economy and creating good-paying jobs across the nation and in our state," said Baucus, who in 1998 as ranking member of the Senate Environment and Public Works Committee, was a key author of the six-year highway funding bill that boosted Montana's highway funding by 60 percent and created 11,000 jobs.

"As a senior Democrat on the Environment and Public Works Committee, I'll again play a key role in drafting the next highway funding bill and you bet I'll do what's right for Montana's and America's transportation system and economy."

As chairman of the Finance Committee, which has jurisdiction over the revenue and expenditures of the Highway Trust Fund, Baucus said he will work closely with ranking member Senator Charles Grassley, an Iowa Republican, to continue to strengthen America's roads, highways and transportation systems.

"Good transportation infrastructure is crucial to moving commodities, other goods and people in and out of Iowa," Grassley said. "I look forward to the Finance Committee's review of all transportation funding mechanisms in our jurisdiction, and I'll work closely with Chairman Baucus on these issues."

Earlier this year, Baucus introduced the "Highway Trust Fund Recovery Act" in his continued effort to increase highway funding. His bill would increase revenue to the Highway Trust Fund and allow for much needed highway improvements by redistributing 2.5 cents from every gallon of gasohol (ethanol mixed with gasoline) to the Highway Trust Fund beginning in 2004. Current law dedicates that 2.5 cents to the General Fund of the U.S. Treasury.

Baucus today outlined his transportation hearing priorities for the Finance Committee next year:

- The Highway Trust Fund: The Finance Committee will examine current and future tax scenarios and how those may affect highway funding income and reserves in the coming years.
- The Aviation Trust Fund: The Finance Committee will explore current and additional revenue avenues, especially given the increased need for aviation security.
- The Finance Committee will hold hearings dedicated to finding innovative transportation funding for roads, transit, rail, and air, including examining the pros and cons of tax-exempt bonds and public-private partnerships.

"I'll place the protection of our transportation system on the top of our agenda in the Finance Committee," Baucus said. "Senator Grassley and I are dedicated to strengthening Montana's, Iowa's, and America's surface transportation, rail, and air transportation systems. A strong infrastructure means more jobs and a stronger economy."